



JUPITERS . . . The Kresge Company's bantam discount units, like 4579 in Kenosha, Wis., have come into their own, filling a definite need in the company's retailing program.

Jupiters Contribute To Kresge's Success

"The Jupiter program has long ceased to be a stop-gap measure," stressed R. E. Valley, operations and merchandise manager, Jupiter stores. "It fills a definite need in the retailing program of the S. S. Kresge Company." Proof of its success is the conversion of almost 100 American Kresge stores to Jupiter since the first Jupiter came into being in May, 1961.

In his letters to shareholders in the 1964 Annual Report, President Harry B. Cunningham wrote:

"Continued progress was shown by the Jupiter discount division last year. Originated in 1961 as a defensive experiment to salvage older Kresge stores, our conversion program has now reached impressive proportions . . . Almost all converted stores are showing excellent net improvement."

Mr. Valley explained: "Conversion of a Kresge operation to a Jupiter operation is a change from a variety store to a bantam discount unit. In doing this, we have taken the best of variety store assortment for the fastest possible turnover. Jupiters must always remain completely competitive with other local discounters. We guaran-

tee our customers that Jupiter prices are equal to or lower than those in other discount stores in the same area."

The success of the Jupiter program has resulted in the upgrading of fixtures and equipment in the more recently converted stores. Several years of experimentation have resulted in a stabilized merchandise assortment.

Jupiter's ordering system is completely different from that used in Kresge and K mart stores. "We have our managers and their organizations to thank for this unique merchandising system," said Mr. Valley. "As we followed a path of experimentation, their suggestions, resulting from actual store experience, helped us to develop this ordering procedure."

Kresge organizations whose stores were converted to Jupiters are generally quite happy with the change, stated Mr. Valley. "From a Kresge unit with little traffic, these people are now working in a store that hums with activity, where traffic resembles the 'good old days.' In many instances, a Jupiter's debut in a community has caused a resurgence of traffic to what was a deteriorating shopping area."

There will be a continuing program for considering the conversion of Kresge stores to Jupiter units.

The Kresge Foundation To Move Headquarters

Officials of The Kresge Foundation announced the moving of the Foundation headquarters from the Kresge administration building in Detroit to the new Detroit Bank & Trust Building at 211 Fort Street West in downtown Detroit. The move will take place sometime in July.

The Foundation headquarters are being moved to fill a need for larger quarters, explained a Foundation spokesman.

New Center To Facilitate Movement of Merchandise

Detroit's merchandise distribution center will move its operations to a new location in July in the New York Central Railroad's main Detroit yard.

The Detroit center is one of five company distribution centers which move freight in carload quantities and handle truckload and carload distribution to stores in the centers' respective areas. Other distribution centers are located in Charlotte, N. C.; Chicago, Ill.; Columbus, O., and New York, N. Y.

The centers supplement the functions of the Kresge Warehouse in Fort Wayne, Ind., by handling area bulk shipments and seasonal merchandise and by consolidating small freight shipments.

Detroit's new distribution building is more suitable to the company's type of freight handling and will give the center more opportunity to install material handling equipment necessary to increase productivity and speed delivery, explained Harvey E. Chapman, gen-

eral traffic manager, Detroit Office.

The building has 26,754 square feet of space, two railroad tracks, 275 feet of truck back-in space and is being outfitted with data processing machines and IBM billing machines to facilitate paper work.

An innovation at the new location will be a tear-off label program. Double labels will be attached to merchandise as it arrives. Labels will be marked by IBM punches for appropriate destination and content.

When the merchandise is shipped out, one label will be torn off. The store receiving personnel will do the same with matching labels when merchandise arrives to make sure shipment is intact.

Mr. Chapman said the tear-off label program will speed loading processes and will make shipment checking more accurate.

The Detroit distribution center is located at a true Kresge address: 2727 Livernois. The Detroit Office's address is: 2727 Second Avenue.

STRIVE For Higher Standards in '65

This is the third in a series of five articles on attaining higher standards.

"So long as we can consistently, we [Kresge's] wish to offer our patrons a range of items as broad in assortment and equivalent in value as it has been our custom. This giving of good values has, as much as any other element up to this time, been responsible for the public's goodwill toward us . . ."

"Up to this time" was the Managers' Convention, May, 1916, nearly 50 years ago and the speaker was Roy R. Williams (later president from 1938 to 1946, now deceased). Through the years, merchandise awareness has remained one of the foremost aims of the Kresge Company.

Mr. Williams gave the following advice to managers at the 1916 Convention: "Increase your counter displays of big profit payers. Make your window displays of them more frequent. Become a closer student of all items and when you know all the uses and demands, you will have become a merchandise specialist."

"Cut down on your displays of the less profitable lines. Your superintendent will use judgment in the matter of display being in proportion to selling merit. Order your stock accordingly."

These same principles apply today. Richard C. Wade, sales promotion manager, Division I, noted: "Retailing today requires that a manager be an authority on the merchandise needs and customer likes and dislikes in his area. Merchandise awareness is acquired through the constant study of staple merchandise, new items, seasonal items and area needs."

Kenneth G. Sanger, sales promotion manager, Division II, pointed out: "Constant follow-up is necessary to see that assortments are maintained and merchandise displayed attractively and according to its selling merit."

Both agreed the tools necessary to maintain a good merchandise assortment are:

- A competent department head who has merchandise awareness.
- Up-to-date list books, checking sheets and sales bulletins.
- Merchandise order schedule that is followed and ordered on a turnover basis.

Smart managers and department heads know that counter maintenance, including good housekeeping, attractive displays and proper signing, is a vital part of sales getting. Mr. Sanger added.

Strive for Higher Standards in '65!

Buyer and 25 Girls Hold Reunion

Buyer E. Richard France had dinner May 4 with 25 girls he had not seen in 30 years. The occasion was the annual dinner meeting of the 1935 staff of Store 1030 (now closed), Highland Park, Mich. In 1935, Mr. France was floorman at 1030.

Mr. France's presence at the dinner was the result of an invitation extended to him on the phone by Virginia Hale Burt, a 1935 department head at 1030. Mr. France remembers her as "a little girl just out of high school who was so eager for business during that depression year that she would run from one end of the counter to the other so as not to keep customers waiting."

Mrs. Burt had seen a story in the paper about Mr. France's appointment to buyer at the Detroit Office. She called to ask him to join the annual dinner meeting at a Northland Center restaurant in Southfield, Mich.

"Can you imagine," exclaimed Mr. France, "30 years and the old gang is still getting together."

Mr. France reported it was an evening of reminiscing. Did he have any trouble recognizing the group when he arrived at the restaurant? "I was worried," admitted Mr. France. "After all, it was 30 years. But, I spotted 'Smitty' and she hadn't changed a bit. I called 'Hi Smitty' and from there on in, one recollection led to another until faces and places were all in order."



BEYOND EXPECTATIONS . . . That is how Buyer Roy F. Siegel explains the success of the company's first exhibit and sale of a collection of fine art at Kresge 123, Southfield, Mich. The company intends to hold fine art shows in the future at other stores.